



5/053/076

146 East St. George Blvd.  
St. George, Utah 84770  
(435) 673-9610 (435) 688-1005 - FAX

## IRREVOCABLE LETTER OF CREDIT

August 24, 2004

Irrevocable Letter of Credit Number  
Account Party's Name: Color Country Rock  
Account Party's Address: 291 East 1400 South Ste 1  
St. George, UT 84790

To: United State Department of Interior  
Bureau of Land Management  
St. George Field Office  
345 East Riverside Drive  
St. George, UT 84790

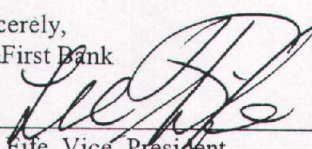
RECEIVED

FEB 28 2005

DIV OF OIL GAS & MINING

1. We hereby establish this irrevocable and transferable Letter of Credit in your favor for one or more drawings to the United States Department of Interior BLM in the amount of (\$4,000.00) Four Thousand Dollars. This Letter of Credit is payable at SunFirst Bank's office at 146 East St. George Blvd., St. George, UT 84770, and expires with our close of business on August 24, 2005 or any automatically extended expiration period.
2. We hereby undertake to honor your or the transferee's sight draft(s) drawn on the issuing or, if any the confirming financial institution, for all or any part of this credit if presented with this Letter of Credit and Confirmation, in any, at the office specified in paragraph 1 of the Letter of Credit on or before the expiration date or any automatically extended expiration date.
3. SunFirst Bank will notify the BLM Office at 345 East Riverside Drive, St. George UT 84790 if it does not plan to renew this Letter of Credit at least 90 days prior to the expiration date of this letter.
4. This Letter of Credit will automatically renew each year unless SunFirst Bank notifies the BLM in writing as outlined in paragraph 3 above. The Bureau of Land Management may collect under the terms of this letter if obligor defaults on any provision it has with the BLM and if obligor fails to replace the Letter of Credit within 30 days of the expiration date, if the 90 day notice is given by the bank not to renew the Letter of Credit.
5. This Letter of Credit is subject to the Uniform Customs and Practice (UCP) for Documentary Credits, 1993 Revision, International Chamber of Commerce Publication No. 500, and to the extent not inconsistent therewith, of the laws of the State of Utah.
6. If this credit expires during an interruption of business of this financial institution as described in Article 17 of the UCP, the financial institution specifically agrees to effect payment if this credit is drawn against within 30 days after the resumption of our business.

Sincerely,  
SunFirst Bank

  
\_\_\_\_\_  
Lee Fife, Vice President



**UTU-080887: Hafen-Vermillion-Reclamation Cost Model -  
For 43 CFR 3600 Regulatory Level Operations**

<b>Dozer Work</b>				<b>Earthwork</b>
	Acres		Cost/Acre	
Light	0	Recontouring Cost	\$ 330.00	\$0.00
Moderate	3	Recontouring Cost	\$ 990.00	\$2,970.00
Heavy	0	Recontouring Cost	\$1,485.00	\$0.00
<b>Excavator Work</b>				
Roads with the side Slope,	Linear Feet		Cost/Linear Foot	
<30%	0	Recontouring Cost	\$ 1.50	\$0.00
>30%	0	Recontouring Cost	\$ 2.40	\$0.00
Areas of non-road disturbance where the use of dozer wouldn't suffice.	Acres		Cost /Acre	
<30%	0	Recontouring Cost	\$4,665.00	\$0.00
>30%	0	Recontouring Cost	\$7,465.00	\$0.00
<b>Revegetation</b>				<b>Revegetation</b>
	Acres		Cost/Acre	
Non-Road disturbances with machine spreader	0	Revegetation Cost	\$ 600.00	\$0.00
Non-Road disturbances with manual spreading	0	Revegetation Cost	\$150.00	\$0.00
	Linear Feet		Cost/Linear Foot	
Road disturbances with machine spreader	0	Revegetation Cost	\$ 0.20	\$0.00
Road disturbances with manual spreader	2100	Revegetation Cost	\$0.05	\$105.00



Mobilization		Mobilization
No. Pieces of equipment	Cost/Piece	
1 Mobilization Cost	\$ 750.00	\$750.00
Total Labor Cost		
\$1,041.50		
Total Reclamation		\$3,825.00
Administrative Fees		
Contractors Profit	10% Rec. Cost	\$382.50
Contract Administration	16% Rec. Cost	\$612.00
Contingency	10% Rec. Cost	\$382.50
Indirect Cost Rate	17.8% Rec. Cost	\$680.85
Engineering/Design	2% Rec. Cost	\$76.50
*Insurance	1.5% Labor Cost	\$0.00
*Bond Maintenance	3% Rec. Cost	\$0.00
* Only Administered if Estimated Contract Costs over \$100,000.		
Total Admin Cost		\$2,134.35
Bond Amount		\$5,959.35